# Environmental Social Governance (ESG) Data Sheet

Eastman's ESG Data Sheet is a summary of our historical nonfinancial data and a signpost to significant policies and ESG reporting frameworks that matter to our investors and financial analysts. The data included in this document are also disclosed in the company's <u>Sustainability Report</u>, website, CDP disclosure and annual filings. Additional relevant details and context can be found in the locations linked throughout the data sheet, including key policies and disclosure framework documents such as Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).



Eastman supports the UN Sustainable Development Goals (SDGs). Company goals and commitments are created in alignment with the SDGs. To learn more, <u>click here</u>. SDG logos are found at the top of each section on pages 2–8 to indicate correlation with specific goals.

#### **ABOUT EASTMAN**

We are a global specialty materials company that produces a broad range of products found in items people use every day. With the purpose of enhancing the quality of life in a material way, Eastman works with customers to deliver innovative products and solutions while maintaining a commitment to safety and sustainability.

Headquarters	Kingsport, Tennessee, USA
Total employees	14,414
Full-time employees	14,082
Business segments	Additives & Functional Products, Advanced Materials, Chemical Intermediates, and Fibers
Major end markets	Transportation; building and construction; consumables; consumer durables; industrials and chemicals processing; food, feed, and agriculture; and health and wellness

2022 sales	\$10.6 billion
2021 sales	\$10.8 billion
2020 sales	\$8.5 billion









# **CLIMATE, ENERGY, AND WATER**











## WE'RE GOING CARBON NEUTRAL.

By 2030, 100% of electricity purchased in North America and Europe will be renewable. Eastman is committed to reducing Scope 1 and Scope 2 emissions by one-third by 2030 and to achieve carbon neutrality by 2050.

Metrics	2021	2020	2019	SASBª	GRI⁵
Greenhouse gas emissions					
Total GHG emissions (MTCO <sub>2</sub> e) Scope 1 and Scope 2 <sup>c</sup>	6,952,843	7,244,537 <sup>d</sup>	6,766,296	RT-CH-110a.1	305-1, 305-2
Direct (Scope 1) GHG emissions MTCO <sub>2</sub> e	6,206,603	6,270,072	5,130,068	RT-CH-110a.1	305-1
Energy indirect (Scope 2) GHG emissions (MTCO <sub>2</sub> e) (market based)	746,240	974,465	1,636,228		305-2
Carbon Scope 3 emissions (CO₂e)—upstream (metric tons)	9,889,705	8,540,602	7,424,746		305-3
GHG emissions intensity—metric tons CO <sub>2</sub> / unit total revenue	0.000664	0.00085	0.00073		305-4
CDP climate change score	В	В	B-		
Energy					
Energy intensity (MWh/million USD sales)	3,052.00	3,579.84	3,253.89	RT-CH-130a.1	302-3
Energy consumption from renewable sources (MWh)	55,222	0	865	RT-CH-130a.1	
Energy consumption from nonrenewable sources (MWh)	32,906,444	30,332,015	30,172,415	RT-CH-130a.1	
Percent of total energy consumed from the grid	8%	15.7%	16.5%	RT-CH-130a.1	302-1
Total self-generated electricity (MWh)	9,636,451e	1,281,443	1,00,969	RT-CH-130a.1	
Total electrical power use (MWh)	2,627,395	4,760,250	5,954,362	RT-CH-130a.1	
Total energy consumption	32,961,666	30,332,015	30,173,280	RT-CH-130a.1	302-1
Dedicated budget for energy efficiency	\$5,000,000	\$6,000,000	\$8,000,000		
Water					
Water—total withdrawals (megaliters)	849,821	928,414	946,906	RT-CH-140a.1	303-3
Water—freshwater withdrawals (megaliters)	829,988	838,397	856,741		
Percent of total water withdrawn in regions with high or extremely high baseline water stress	<1	<1	<1	RT-CH-140a.1	
Water—total discharges (megaliters)	817,446	900,051	927,351		303-4
Water—total consumption (megaliters)	32,374 <sup>f</sup>	28,363	19,555	RT-CH-140a.1	303-5
CDP water security score	В	В	В		

## **REPORTS AND RELEVANT LINKS**

**CDP Climate Change Response** 

**CDP Water Security Response** 

Sustainability Accounting Standards Board

**Sustainability Report** 

Task Force on Climate-related Financial Disclosures

## **POLICIES AND POSITION STATEMENTS**

Climate Policy

**Water Policy** 





<sup>&</sup>lt;sup>a</sup>This column includes references to <u>Sustainable Accounting Standards Board</u> sustainability reporting standards.
<sup>b</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standards.
<sup>c</sup>We have received review level assurance from PricewaterhouseCoopers LLP (PwC) in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) over our Scope 1 and Scope 2 greenhouse gas emissions for the year ended December 31, 2021.
<sup>c</sup>Increase in 2020 reflects changes needed to the Scope 1 and Scope 2 classification of certain emissions and inclusion of previously excluded emissions at one site.

<sup>\*</sup>Increase in 2021 is due to multiple factors, including reclassification of a major cogeneration boiler from leased to company owned, increase in production from 2020 to 2021 and calculation refinement. Water production increase aligns with increased production in 2021 as compared to 2020.

# **ENVIRONMENT**











Metrics	2021	2020	2019	SASBª	GRI⁵
Air					
Nitrogen oxides (NO <sub>x</sub> )—tons	6,516	5,735	6,204	RT-CH-120a.1	305-7
NO <sub>x</sub> emissions intensity (tons/million USD sales)	0.60	0.67	0.67		
Sulfur dioxides (SO <sub>x</sub> )—tons	3,802	3,033	4,671	RT-CH-120a.1	305-7
SO <sub>x</sub> emissions intensity (tons/million USD sales)	0.35	0.36	0.50		
Volatile organic compounds (VOC) (tons)	6,267	6,171	7,254	RT-CH-120a.1	305-7
VOC emissions intensity (tons/million USD sales)	0.58	0.73	0.78		
Reportable releases	14	44	48		
Toxic release inventory (TRI) emissions <sup>c</sup>	4.2	4.0	4.8		
Other					
Percent of manufacturing locations certified with environmental management systems	60%	60%	60%		

## **REPORTS AND RELEVANT LINKS**

**Biodiversity** 

CDP Climate Change Response

CDP Forests Response (FY2021)

**HSES Management Systems—Certifications** 

Sustainability Accounting Standards Board

Task Force on Climate-related Financial Disclosures

# **POLICIES AND POSITION STATEMENTS**

**Environmental Stewardship Policy** 

Responsible Care







<sup>&</sup>lt;sup>a</sup>This column includes references to <u>Sustainable Accounting Standards Board</u> sustainability reporting standards.
<sup>b</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standards.
<sup>c</sup>2019 data will be updated later in 2021 with the 2020 sustainability data sets.
<sup>c</sup>Certifications include manufacturing sites and corporate headquarters.

## STAKEHOLDER ENGAGEMENT









Metrics	2021	2020	2019	SASBa	GRI⁵
Employees					
Employee Resource Groups	6	5	5		413-1
Members of Employee Resource Groups	>3,000	>1,400	>1,300		413-1
Community					
Estimated economic impact from employee and contractor compensation in states with sites and sales offices.	\$9–\$10 billion	\$9–\$10 billion	\$8–\$10 billion		203-2
Government					
EastmanPAC political contributions to state and federal candidates	\$88,088	\$230,500	\$229,500		415-1
Eastman corporate contributions to state candidates	None	\$18,000	\$28,500		415-1
Trade associations lobbying expenditures (amount of Eastman dues/contributions used for lobbying or political activity payments)	\$269,664	\$210,050	\$250,822		
Customers and suppliers					
Percentage of products that have undergone a hazard assessment	100%	100%	100%	RT-CH-410b.1	
Together for Sustainability member—Eastman suppliers with valid EcoVadis assessments	658	544	296		
Percentage of continuing direct spend covered by valid EcoVadis assessments <sup>c</sup>	69%	63%	44%		
Suppliers with improved EcoVadis score in reassessment	66%	55%	52%		

# **REPORTS AND RELEVANT LINKS**

2022 Inclusion and Diversity Report

**Community Advisory Panels** 

**Memberships and Associations** 

Partnerships and Collaborations

Product Stewardship/Product Safety

Stakeholders and Value Chain

**Sustainable Business Practices** 

## **POLICIES AND POSITION STATEMENTS**

**Animal Testing Policy** 

**Chemical Management** 

Code of Business Conduct

**Conflict Minerals** 

**Human Rights Policy** 

PAC Contribution Guidelines

Political Activity Policy

Slavery and Human Trafficking

**Third-Party Code of Conduct** 



<sup>&</sup>lt;sup>a</sup>This column includes references to <u>Sustainable Accounting Standards Board</u> sustainability reporting standards.
<sup>b</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standard <sup>c</sup>Excluding energy, internal, supply, toll conversions and exchanges, etc.

# PEOPLE



Metrics	2021	2020	2019	GRIª
Workforce				
Total workforce	14,414	14,502	14,820	102-8
Full time	97.7%	97.7%	97.5%	102-8
Part time	2.3%	2.3%	2.5%	102-8
Total employee turnover rate	11.2%	9.2%	10%	401-1
Total employee voluntary turnover rate	4.9%	3.3%	4.2%	
Employees by region				
North America	71.0%	71.0%	71.0%	102-8
Europe, Middle East and Africa	16.0%	16.0%	15.0%	102-8
Asia Pacific	10.0%	10.0%	11.0%	102-8
Latin America	3.0%	3.0%	2.0%	102-8
Attrition by gender (based on total population	on of respective cate	egory)		
Male	11.3%	9.3%	9.1%	401-1
Female	11.1%	9.7%	12.3%	401-1
Attrition by age (based on total population o	of respective categor	ry)		
< 30 years	12.7%	9.7%	11.4%	401-1
30–50 years	9.4%	7.0%	6.9%	401-1
> 50 years	13.5%	12.8%	13.6%	401-1
Attrition by region (based on total population	n of respective cate	gory)		
Asia Pacific	22.9%	14.4%	9.9%	401-1
Europe, Middle East and Africa	9.4%	8.0%	7.6%	401-1
Latin America	6.8%	6.3%	7.7%	401-1
North America	10.2%	9.1%	10.5%	401-1
Diversity of employees <sup>b</sup>				
Male	73.4%	76.0%	76.0%	405-1
Female	26.6%	24.0%	24.0%	405-1
< 30 years of age	15.5%	14.3%	14.5%	405-1
30–50 years of age	51.1%	50.8%	50.3%	405-1
> 50 years	33.4%	34.9%	35.2%	405-1
Minority ethnic group <sup>c</sup>	12.0%	12.0%	13.0%	405-1
White	88.0%	88.0%	87.0%	405-1
Hires by gender (based on total population o	of respective categor	ry)		
Male	12.4%	7.0%	8.9%	401-1
Female	15.3%	7.7%	10.4%	401-1
Hires by age (based on total population of re	spective category)			
< 30 years	37.6%	24.6%	30.9%	401-1
30–50 years	12.5%	6.2%	8.2%	401-1
> 50 years	2.7%	1.5%	1.9%	401-1

<sup>&</sup>lt;sup>a</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standards. <sup>b</sup>Additional breakdown of I&D data can be found in the annual I&D Report. <sup>c</sup>Racial/ethnic data are U.S. only.

(continued)

# PEOPLE (continued)



Metrics	2021	2020	2019	GRIª		
Hires by region (based on total population of respective category)						
Asia Pacific	20.1%	8.7%	19.9%	401-1		
Europe, Middle East and Africa	12.9%	7.7%	7.6%	401-1		
Latin America	23.0%	11.3%	6.8%	401-1		
North America	11.8%	6.7%	8.1%	401-1		
Training: average hours of training per year per en	nployee					
Professional/management	32	43	45	404-1		
Nonexempt (nonoperations)	10	12	16			
Nonexempt (operations)	38	48	44	404-1		
Technicians/technologists	20	28	26	404-1		
Average hours of training per year per employee	25	33	41	404-1		
Labor management						
Percent of U.S. workforce covered by trade unions/collective agreements	5.0%	5.3%	6.0%			

 $<sup>{}^{</sup>a}\textit{This column includes references to standards issued by the } \underline{\textit{Global Reporting Initiative}} \textit{sustainability reporting standards}.$ 

# **REPORTS AND RELEVANT LINKS**

2021 Annual Report to Stockholders 2022 Inclusion and Diversity Report









# **GOVERNANCE**



Metric	2022	2021	2020	GRIª
Board of directors composition				
Number of directors	12	11	11	
Male (%)	66	73	64	
Female (%)	33	27	36	405-1
Racially and ethnically diverse (%)	25	10	18	
Independent board members (%)	90	90	90	
Independent board members in the audit committee (%)	100	100	100	
Independent board members in the remuneration committee (%)	100	100	100	
Independent board members in the nomination committee (%)	100	100	100	
Independent board members in the sustainability committee (%)	100	100	100	
Executive team diversity				
Male (%)	78	80	87	
Female (%)	22	20	13	
Racially and ethnically diverse (%)	22	20	25	
White (%)	78	80	75	
Executive remuneration linked to sustainability performance?	Yes	Yes	Yes	

<sup>&</sup>lt;sup>a</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standards.

# **REPORTS AND RELEVANT LINKS**

2022 Annual Meeting Proxy Statement

**Board of Directors** 

**Board Stockholder Communication and Engagement Policy** 

**Executive Incentive Pay Clawback Policy** 

**Executive Team** 

Sustainability Governance | Sustainability | Eastman

# **POLICIES AND POSITION STATEMENTS**

**Corporate Governance Guidelines** 



# **SAFETY**



Metrics	2021	2020	2019	SASBª	GRI⁵
Global fatalities	0	0	0	RT-CH-320a.1	403-9
Global injury and illness rates (OSHA recordable equivalent to total recordable incident rate) (Annual incidents per 100 employees [200,000 work hours] involving treatment beyond first aid in relation to actual work hours)	0.75	0.81	0.85	RT-CH-320a.1	403-9
Contractor fatalities	0	1	0		
Contractor injury and illness rates (OSHA recordable equivalent to total recordable incident rate)  (Annual incidents per 100 employees [200,000 work hours] involving treatment beyond first aid in relation to actual work hours)	0.40	0.44	0.22		
Global process safety events <sup>c</sup> (Tier 1 following API RP 754) <sup>d</sup>	17	23	24	RT-CH-540a.1	
Process safety event rate (Tier 1 RP 754)°	0.12	0.16	0.14		
Percentage of sites (including headquarters) with safety and health certification	46%	48%	48%		

## **REPORTS AND RELEVANT LINKS**

Health and Safety | Sustainability | Eastman

## **POLICIES AND POSITION STATEMENTS**

Responsible Care Safety Policy



<sup>&</sup>lt;sup>a</sup>This column includes references to <u>Sustainable Accounting Standards Board</u> sustainability reporting standards.

<sup>b</sup>This column includes references to standards issued by the <u>Global Reporting Initiative</u> sustainability reporting standards.

<sup>c</sup>To best represent the current safety performance of the company, 2020 data is reported in this section as it is publicly available.

<sup>c</sup>Eastman applies American Chemistry Council's reporting criteria for process safety incidents globally.

<sup>c</sup>Definition: count of Tier 1 process safety events per 200,000 work hours (employees and contractors)

# **2021 GOALS REPORT**

Goal	Progress details
Mainstreaming circularity	
Recycle more than 500 million pounds of plastic waste annually by 2030 via molecular recycling technologies, with a commitment to recycle 250 million pounds annually by 2025	Our recycling progress will begin a significant upward trajectory in 2023, when operations begin at our new polyester renewal recycling facility in Kingsport, Tennessee.
Mitigating climate change	
Reduce our Scope 1 and 2 greenhouse gas emissions (GHG) by one-third by 2030 to achieve carbon neutrality by 2050	We have reduced our absolute Scope 1 and 2 GHG emissions by 13.8%, measuring from our 2017 baseline. We have also received review level assurance from PricewaterhouseCoopers LLP (PwC) in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) over our Scope 1 and 2 GHG emissions for the year ended December 31, 2021.
100% of North American region and EU purchased electricity will be renewable by 2030	We have achieved 10% of our renewable energy goal and expect additional progress later this year through the procurement of renewable energy for additional large U.S. manufacturing sites by the end of 2022.
Environment	
95% reduction in SO <sup>2</sup> by 2030	65% reduction from 2017 to 2021
50% reduction in NO <sup>x</sup> by 2030	22% reduction from 2017 to 2021
Working toward goal of implementing Operation Clean Sweep® blue and plan to publicly report on pellet spills before the end of 2021	We have met our goal and are committed to the Operation Clean Sweep® blue program. We have also enhanced our internal reporting to better capture data associated with pellet, flake and powder containment loss. We are pleased to report that there have been no reportable plastic pellet losses to the environment outside company-operated facilities.
Inclusion and diversity	
Achieve gender parity in alignment with our commitment to Paradigm for Parity	In 2021, we increased gender parity to 37%, moving toward our goal to achieve 50% by 2030.
Safety	
Global injury and illness rates (OSHA recordable equivalent to total recordable incident rate) of $<0.54^{\circ}$	0.75

 $<sup>{}^{</sup>a} \textit{Definition: count of Tier 1 process safety events per 200,000 work hours (employees and contractors)}$